

- Average after-tax family income in BC rose 4.7% in 2001
- Net farm income down 22.5% in 2002
- Hotel room revenues dropped 5.9% (seasonally adjusted) in April

Family Income

- Average after-tax family income in BC jumped 4.7% to \$57,581 in 2001. This was the largest increase in at least two decades. Driving the gains was a sharp decrease in average income tax paid by families (down 13.5%). This too was the largest decrease seen in at least 20 years. Market earnings and government transfer payments also contributed modestly to rising family incomes (both up 0.8%). For Canada as a whole, average family income stood at \$58,016, an increase of 3.4% over 2000. The largest increase in after-tax family income was in Alberta (+6.5%), while Nova Scotia had a marginal decrease (-0.5%).

There were some notable differences in after-tax income growth by family type in BC. The average income of two-parent families with children rose 5.8% to \$65,459. The average income of lone-parent families, in contrast, dropped 6.6% to \$29,213. Lone-parent families have less than half (44.6%) the income of two-parent families.

Source: SC Catalogue no. 75-202-XIE

- BC families on average paid \$11,676 in income tax in 2001—an effective tax rate of 16.9% of their income. This is the same effective income tax rate as in Alberta (16.8%), and is below the national average (18.1%). The highest effective tax rate on families is in Quebec (20.5%), while the lowest is in PEI (14.7%). In BC, the poorest 20% of families paid \$810 in income tax on average in 2001 (an effective tax rate of 4.3%). The wealthiest 20% paid \$30,444 in income tax (an effective tax rate of 21.5%).

Source: SC Catalogue no. 75-202-XIE

- Families in BC received \$6,956 in transfer payments on average, representing 10.0% of their total income. The poorest 20% of families received \$8,930 in transfers (46.9% of total in-

come) while the wealthiest 20% received \$4,067 (2.9% of total income). For the poorest 20% income group, transfers increased their share of total after-tax income in BC from 3.4% to 6.1%. For the wealthiest 20% group, the effect of transfers reduced their share of total income from 45.2% to 41.7%.

Source: SC Catalogue no. 75-202-XIE

Trends in Taxes and Transfers in BC

- The new two-decade income data from Statistics Canada offers a fascinating look back at the rise of taxes and transfers in BC. From 1980 to 1990, average transfers to families rose 56%, while average income tax payments of families increased 28%. Over the same period the average market income of families inched up only 1%. The 1990s were a very different decade. From 1991 to 2001, average transfers to families were unchanged (+0%), while their average income tax payments fell 7%. Market incomes however, rose some 15%. Thus, the social welfare system in BC—combining both federal and provincial policies—expanded rapidly in the 1980s, but stabilized (or slightly retreated) in the 1990s. *Source: SC Catalogue no. 13F0022XCB*

The Economy

- Retail sales in BC crept up 1.1% (seasonally adjusted) in April, partially recovering from the 2.9% drop in March. Nationally, sales fell 0.9%, with Ontario experiencing the largest decline (-2.5%).

Source: Statistics Canada

Agriculture

- Net farm income in BC totalled \$293.5 million in 2002, down 22.5% from 2001 (which was the highest income year on record). The fall in income was mainly due to rising operating expenses. Farm cash receipts were \$2.2 billion, a negligible decrease from 2001

Did you know...

20% of British Colombians admit to secretly clipping flowers from someone else's garden.

(-0.3%). Direct subsidies to agricultural producers totalled \$27.8 million, down substantially from \$57.2 million in 2001.

BC has almost entirely escaped the massive economic decline that has besieged agricultural operations in the Prairie Provinces. After some of the worst drought conditions in a quarter-century, Alberta recorded a net farm income of six thousand dollars, down from \$800 million in 2001. Saskatchewan posted a net farm income loss of \$242 million, a complete reversal of the positive \$213 million in farm income the year before.

Source: SC, Catalogue no. 21-010-XIE and 21-015-XIE

- **26.5 million animals were slaughtered on Canadian farms last year.** The vast majority of these (83%) were hogs. Cattle and calves accounted for 14% of animals slaughtered, while sheep and lambs made up 3%.

Source: SC, Catalogue no.32-229-XIB

Real Estate

- **Real estate agents and brokers in BC had \$1.2 billion in operating revenue in 2001—a striking 47% increase over 2000.** The profit margin, however, fell to 3.5% in 2001, down from 10.5% the year before. Provincially, the highest operating revenues were in Ontario (\$3.8 billion), followed by BC. Profit margins were lowest in Newfoundland (-0.9%), with BC showing the second-lowest rate of profit.

Source: Statistics Canada

Tourism

- **Room revenues at hotels and other accommodation services dropped 5.9% (seasonally adjusted) in March.** This was the largest decline seen since September 2001. Almost the entire decline occurred in the Mainland/Southwest region (Vancouver and surrounding areas), where revenues were down 10.5%.

Source: BC Stats

Spousal Abuse

- **British Columbia's shelters for abused women admitted 15,909 women and children in 2002.** Dependant children accounted for 42% of annual admissions. The rate of abused women residing in shelters in BC is 20.3 per 100,000 adult women. This is higher than the

national average (18.7), either because of a higher rate of violence against women, or because of the availability of shelters in BC. In Alberta, the rate of abused women living in shelters is 15.6 per 100,000 adult women—significantly lower than in BC. Source: SC, Catalogue no. 85-002-XIE

The Nation

- **National net worth stood at \$4.03 trillion—\$120,900 per capita—at the end of the first quarter of 2003.** This represents an increase of 5.6% over the first quarter of 2002.

Source: Statistics Canada

- **Authorities detected over 208 thousand counterfeit Canadian currency notes in circulation in 2002.** Police intercepted only a small share of these (7.4%). Nevertheless, the amount of counterfeits is negligible compared to the 1.08 billion official notes in circulation.

Ten-dollar notes appear to be the most popular choice of counterfeit currency, with nearly 109 thousand bills detected in circulation (52% of total counterfeits).

Source: Bank of Canada

Beverages of Choice in Canada & the US

- **There are some considerable differences in the beverages of choice in Canada and the US.** Soft drink consumption was 113 litres per person in Canada in 2000—a considerable amount, but 40% less than average US soft drink consumption (187 litres). Americans and Canadians also seem to disagree on the virtues of tea. Canadians drank 70 litres of tea on average last year, more than twice the US intake of 30 litres. Average coffee consumption, however, is the same in both countries (about 100 litres per person in 2000). Perhaps Starbucks can help sort out the current tension in Canada/US relations.

Source: SC, Catalogue no.32-229-XIB

Infoline Issue: 03-26

June 27, 2003

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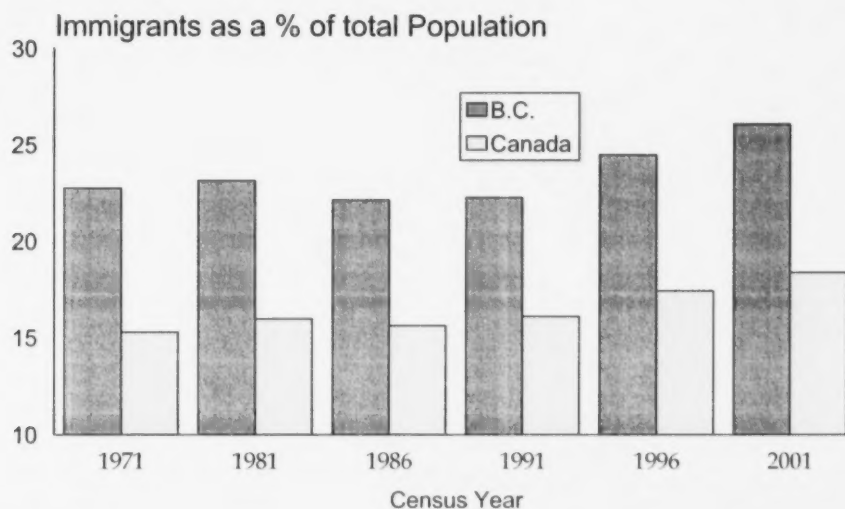
Originally published in *Immigration Highlights*, Issue 03-01. Annual subscription \$30 + GST

B.C. Immigrant Population

In 2001, more than a quarter of the British Columbia population were born outside Canada. Amongst all provinces and territories, B.C. had the second largest immigrant population . . .

Immigrant population refers to people who were foreign born and have been permitted by immigration authorities to live in Canada permanently. The immigrant population in British Columbia has increased significantly over the past two decades due to the recent high inflow of immigrants to the province. In 2001 there were 1,009,820 immigrants living in British Columbia, accounting for 26.1% of the total population in the province. Over the period 1996-2001, the immigrant population has grown by 11.8% from 903,190 immigrants in 1996. The immigrant population was growing much faster than the Canadian born counter-part in the province. The overall population growth in B.C. was only at 4.9% over the 1996-2001 period.

A majority of the B.C. immigrant population in 2001 have been living in Canada for more than 20 years. Dividing the immigrant population by the time of immigration indicates that nearly one-third of the immigrants arrived Canada prior to 1981, and about 20 per cent came as recent immigrants since 1991. A higher proportion of the early immigrants came from Europe and the United States whereas most of the immigrants who arrived in the last two decades were from Asia. European immigrants made up 34.9% of the immigrant population in B.C. of which 75.8% had been in Canada prior to 1980. On the other hand, Asian immigrants accounted for half of the B.C. immigrant population and 77.3% came to Canada after 1980. Most European immigrants were born in the United Kingdom or Germany while most Asian immigrants came from Mainland China, Hong Kong or India.

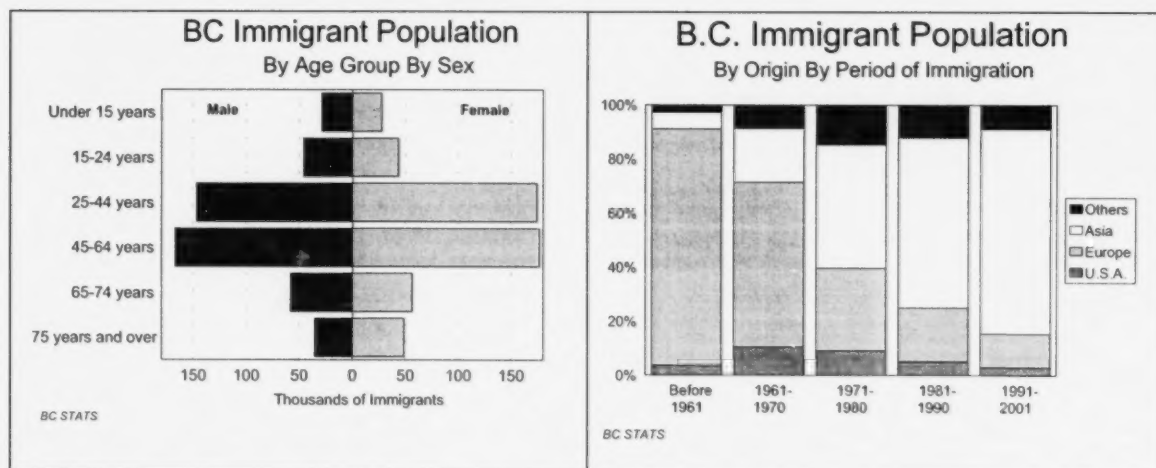


A majority of immigrants were in their middle ages at time of the 2001 Census. Immigrant aged 25 to 64 represented about two-thirds of the immigrant population in the province, and those who were 65 years or older accounted for 19.7% of the whole immigrant population. There were slightly more women than men in the immigrant population. Female immigrants out-numbered their male counterpart by about three per cent.

Approximately one in every ten immigrants could not speak, write or understand English. Since the majority of immigrants who arrived in the last two decades were from non-English speaking Asian countries, a relatively higher proportion of the recent immigrants possessed no English language ability at the time of the Census. Immigrants who had been in Canada for a longer time tended to have better English language proficiency because a higher proportion of the established immigrants were from English speaking countries or had learned English after living in Canada for a longer time. The

most common mother tongues spoken by the non-English speaking immigrants were Cantonese, Mandarin, Punjabi, Tagalog, Korean and Farsi.

Most immigrants live in the Lower Mainland. In 2001, nearly three in every four immigrants in B.C. lived the Vancouver Census Metropolitan Area where immigrants represented more than 37% of the population. This trend is expected to continue as a majority of recent immigrants chose to live in the Lower Mainland. Statistics have shown that new immigrants, especially those from Asia, tend to settle initially in Lower Mainland communities. For example, more than 70 per cent of the Asian immigrants who arrived in B.C. in 2001 reported Vancouver as their intended destination. Some immigrants who have been living in Canada for a longer period of time would gradually move away to live outside the Lower Mainland area.



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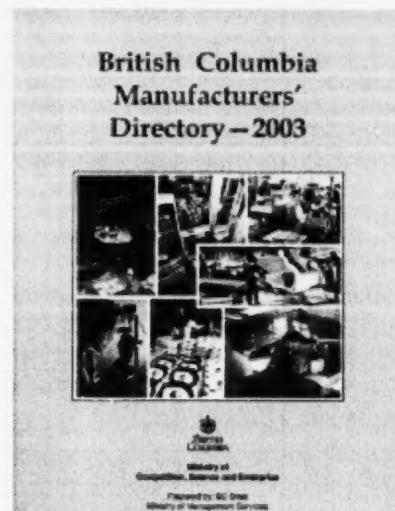
BC at a glance . . .

POPULATION (thousands)		
	Apr 1/03	% change on one year ago
BC	4,162.5	0.8
Canada	31,559.2	0.8
GDP and INCOME		
(BC - at market prices)	2002 Prelim.	% change on one year ago
Gross Domestic Product (GDP) (\$ millions)	134,365	2.7
GDP (\$ 1997 millions)	126,141	1.8
GDP (\$ 1997 per Capita)	30,459	0.8
Personal Disposable Income (\$ 1997 per Capita)	19,445	-0.2
TRADE (\$ millions, seasonally adjusted)		
		% change on prev. month
Manufacturing Shipments - Apr	2,792	-0.6
Merchandise Exports - Apr	2,439	-5.9
Retail Sales - Apr	3,405	1.1
CONSUMER PRICE INDEX		
(all items - 1992=100)	May '03	12-month avg % change
BC	120.4	2.6
Canada	122.0	3.2
LABOUR FORCE (thousands)		
(seasonally adjusted)	May '03	% change on prev. month
Labour Force - BC	2,193	0.2
Employed - BC	2,005	-0.4
Unemployed - BC	189	6.5
	Apr '03	
Unemployment Rate - BC (percent)	8.6	8.1
Unemployment Rate - Canada (percent)	7.8	7.5
INTEREST RATES (percent)		
	Jun 25/03	Jun 26/02
Prime Business Rate	5.00	4.25
Conventional Mortgages - 1 year	4.85	5.55
- 5 year	5.80	7.25
US/CANADA EXCHANGE RATE		
	Jun 25/03	Jun 26/02
(avg. noon spot rate) Cdn \$	1.3427	1.5207
US \$ (reciprocal of the closing rate)	0.7431	0.6583
AVERAGE WEEKLY WAGE RATE		
(industrial aggregate - dollars)	May '03	% change on one year ago
BC	684.33	2.1
Canada	662.79	1.9

SOURCES:

Population, Gross Domestic Product, Trade, Prices, Labour Force, Wage Rate } Statistics Canada
 Interest Rates, Exchange Rates: Bank of Canada Weekly Financial Statistics
 For latest Weekly Financial Statistics see www.bankofcanada.ca

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